



STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

**WRITTEN TESTIMONY PRESENTED BEFORE THE GOVERNMENT ADMINISTRATION
AND ELECTIONS COMMITTEE**

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*Statement of Michael J. Brandi, Executive Director & General Counsel
House Bills No. 6745 & 6749*

The State Elections Enforcement Commission provides the following written testimony concerning campaign finance bills on the Committee's agenda today.

Chairman Cassano and Chairman Jutila, Vice Chairs Gerratana and Alexander, Ranking Members Senator McLachlan and Representative Smith, and distinguished Committee members. I am Michael Brandi, the Executive Director & General Counsel of the State Elections Enforcement Commission (the "Commission"). Thank you for this opportunity to present testimony in support of House Bill No. 6745, containing the Commission's initiative to establish a pilot program to allow the SEEC to assist town clerks with municipal campaign finance filings. We would also like to express support for House Bill No. 6749, a proposal to expand the municipal pilot program for public financing of municipal campaigns.

House Bill No. 6745: An Act Establishing a Pilot Program for Municipal Campaign Finance Filings

House Bill No. 6745 is a resubmittal from 2013 and 2014's legislative agenda. It creates a pilot program whereby the State Elections Enforcement Commission may perform filing repository duties for the offices of up to twenty municipal town clerks. This pilot program will help the Commission assess the efficacy of moving all such duties to the Commission. Such a move will increase transparency of municipal campaign finance filings by making them available online and will undoubtedly reduce the financial burden at the municipal level of receiving and maintaining such filings.

Presently, town clerks are the filing repository for all municipal campaign finance filings, including those for municipal candidates and referenda. This creates a heavy burden on town clerks. Furthermore, such filings cannot be made electronically, thus decreasing public disclosure. Through the proposed program, the Commission will work cooperatively with town clerks to free up municipal resources.

Under the program, treasurers for candidates in participating towns will be able to choose to file their statements electronically for the first time. It is important to note that treasurers will still be

able to make paper filings in person at the town clerk's office or through the mail if they so choose – this will not change. The deadlines and filing procedures will all remain the same and filings will continue to be timely so long as they are postmarked by the deadline.

After the 2013 legislative session, Commission staff conducted a survey of town clerks regarding their interest in the pilot program. There is significant support. Of the 169 town clerks, 125 responded to the survey and of that group, 92% were in support of the Commission taking over as the central repository of all filings. The common refrain of these town clerks was that this initiative would increase public access and create consistency with the way questions about filings are answered. In addition, the move would free up space, resources and staff time at the town clerk level.

The proposal mandates a study of the pilot program's efficiencies to determine whether the Commission should assume these filing duties for all municipalities in the future. We believe this report will demonstrate that the program increases efficiencies and creates cost savings throughout the state. It will also dramatically increase public disclosure of local campaign filings as they will now be available online, and it will increase consistency in compliance and support for local candidates. The Commission hopes that the legislature will support its efforts to effect cost savings across the state.

House Bill No. 6749: An Act Concerning Expansion of Public Financing of Municipal Campaigns

The Commission supports expanding the pilot program for municipal public financing. As you are aware, the initial municipal pilot program was borne in Public Act 05-5, and invited participation by not more than three municipalities. The Commission established a pilot program, along with an application process and criteria for the selection of the municipalities. The law creating the program did not provide for any state funds for municipalities or additional funds to implement their programs. Interested municipalities were required to demonstrate their ability and commitment to adequately fund and implement their programs. Participation in the pilot program was voluntary and applications from municipalities were reviewed upon proof of consent by their legislative body.

While two municipalities, New Haven and Norwalk, participated in the application process, only the city of New Haven followed through until completion and approval. The Commission issued a report on the Pilot Program for Public Financing of Municipal Campaigns in 2009. New Haven created a "hybrid" type of program, utilizing an initial flat grant, combined with matching funds. The New Haven Democracy Fund provides public matching funds up to \$125,000 and a public financing grant of \$19,000 for both the primary and the general election. A seven-member Democracy Fund Board oversees the program, which is funded by a general appropriation from the

city of New Haven, as well as voluntary donations from individuals. The Democracy Fund has operated through four municipal election cycles.

The Commission supports expanding the number of participants from three to four, in an ongoing pilot program. As New Haven has continued its public financing under the pilot program, Raised H.B. No. 6749 would allow up to an additional three municipalities to implement public financing programs in accordance with an application procedure to be set by the Commission. Municipalities which participate in the pilot program serve as laboratories of democracy, as they combat corruption and its appearance. For example, currently the law contains a municipal contractor disclosure provision, requiring an individual who contributes more than \$400 (in the aggregate) to a candidate or committee for Mayor or First Selectman to disclose whether or not the contributor, or a business with which the contributor is associated, has a contract valued at more than \$5,000 with the municipality. A municipality devising a public finance program could require participating candidates to agree not to receive any contributions from a municipal contractor, or alternatively to agree to a \$100 limit from such individuals. In addition, each municipality has access to different revenue sources, thus it is important to let each municipality determine how to fund its own public financing system. Proper funding is critical for the success of any public campaign financing scheme.

On the statewide level, the landmark Citizens' Election Program has helped restore the public's faith in the electoral process, because participating candidates no longer need to rely on special interest money to fund their elections, and participating candidates who win the election are able to make decisions free of the influence of, or the appearance that they have been influenced by, donations from special interests. Municipalities should be allowed to create public financing systems to help restore faith in local government.

In the *Green Party* action challenging the Citizens' Election Program several years ago, both the Connecticut federal district court and the Second Circuit Court of Appeals noted that corruption and its appearance was not just rooted in statewide and General Assembly campaigns and offices, but also spread to the local level.

It is clear that corruption and its appearance still is a serious issue in Connecticut, and re-invigorating municipal public financing and expanding an ongoing pilot program is an important step to restore, at the local level and beyond, the public's faith in the campaign finance and elections process and in our elected officials. The Commission stands ready to assist in this effort.

Thank you for your consideration of the Commission's views on these bills.